Coal-based power projects

1632. SHRI KANJIBHAI PATEL:
SHRI KESHUBHAI S. PATEL:

Will the Minister of POWER be pleased to state:

(a) whether any proposal for development of power projects based on indigenous coal and imported coal is under Government's consideration;

(b) if so, the details thereof;

(c) whether the development work of Coastal Gujarat Power Ltd., an imported coal project at Mundra, has been taken up; and

(d) if so, the present status thereof?

THE MINISTER OF POWER (SHRI SUSHILKUMAR SHINDE): (a) and (b) Yes, Sir. Out of the proposed Eleventh Plan capacity addition of 78,577 MW, 52,905 MW is proposed to be coal based, of which projects totaling 1350 MW are envisaged to use imported coal.

(c) and (d) The Ministry of Power had launched an initiative for the development of coal based Ultra Mega Power Projects (UMPPs) each of about 4000 MW capacity. Under the initiative, four pit-head sites and five sites at coastal locations have been identified by the Central Electricity Authority in consultation with the concerned States. The UMPP at Mundra in Gujarat is one of the coastal sites. The developers, that is, M/s. Tata Power Company Ltd. in respect of this project had been selected through a tariff based competitive bidding process, and the Special Purpose Vehicle *i.e.* Coastal Gujarat Power Limited (CGPL) which had been set up for the Project has also been transferred to the developer. CGPL has informed that the contracts have been entered into for supply of boiler and steam turbine generator packages. The Project is expected to give full benefits during the Twelfth Plan.

Effect of privatization of power distribution

†1633. SHRI SURENDRA LATH: Will the Minister of POWER be pleased to state:

(a) whether there has been a change in respect of theft of electricity and complaints of the consumers in the States, where electricity has been privatized and private companies are involved in distribution and maintenance of electricity;

(b) whether it is a fact that a large number of complaints are being registered regarding inflated bills and incorrect meter readings at the places where electricity has been privatized;

(c) if so, the steps being taken by Government to check the activities of such companies; and

(d) the percentage increase in the rates of electricity in various States after involving private sector in power distribution?

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†Original notice of the question was received in Hindi.

THE MINISTER OF POWER (SHRI SUSHILKUMAR SHINDE): (a) to (c) The distribution companies are regulated by the respective State Electricity Regulatory Commissions (SERCs) under the provisions of the Electricity Act, 2003. Privatisation of State Power Utilities comes within the purview of the State Governments. Distribution of electricity has been privatized in the National Capital Territory of Delhi and the State of Orissa.

Theft of electricity is a part of Aggregate Technical and Commercial losses (AT&C). The Power Finance Corporation, which lends funds to State power utilities also, brings out an annual compilation on the results of financial performance of these utilities. A statement from the compilation brought out by PFC, indicating AT&C losses in Delhi and Orissa is enclosed (*See* below).

The Act provides for the setting up of Consumer Grievance Redressal Forum by every distribution licensee in its respective area of operation. The Act also provides for constitution of an Ombudsman by the SERCs. The main function of the Ombudsman is to look into the non-redressal of grievances by the Grievance Redressal Forums. Under sections 57 and 86(1) of the Act, SERCs have also been entrusted the function of specifying and enforcing standards with respect to quality, continuity and reliability of services by licenses. The Delhi Electricity Regulatory Commission (DERC) and the Orissa Electricity Regulatory Commission (OERC) have notified Performance Standards.

DERC has informed that there have been complaints of faulty meter readings and inflated bills from consumers in the NCT of Delhi over the last two to three years which were primarily on account of perception of consumers regarding fast running electronic meters. Several meter testing drives have been conducted, which, include drives conducted by the Distribution Companies (DISCOMs), by the DERC and also the Government of NCT of Delhi. All these drives showed that by and large, the electronic meters are functioning well within the limits set under the Indian Electricity Rules.

The drive conducted by DERC from 1st October, 2005 to 10th January 2006 was done in association with the Central Power Research Institute (CPRI), Bangalore and the Bureau of Indian Standards (BIS). 536 meters were tested and only 4 were found to be recording higher consumption levels than the stipulated norms. The Public Grievance Cell set up by the Government of NCT of Delhi has launched a third party meter testing drive in May, 2007 through CPRI.

The OERC has informed that instances of complaints of faulty meter reading and inflated bills have not come to its notice.

(d) Tariff determination is the function of the Appropriate Electricity Regulatory Commission under the provisions of the Electricity Act, 2003. The cost of power to a consumer includes the overall bulk power purchase cost as well as transmission cost and the operational and financial performance of the DISCOMs *i.e.* Aggregate Technical and Commercial (AT&C) losses, operational expenses, capital investment for system upgradation/augmentation, consumer profile, subsidy and cross subsidy etc.

DERC has informed that in the NCT of Delhi, while there was no increase in over-all tariffs in 2002-03, tariffs increased by 5% in 2003-04. There was a further increase of 10% in the year 2004-05 and in 2005-06, tariffs increased by 6.6%. There has been no further increase in tariffs in the NCT of Delhi since 2005-06.

OERC has informed that Privatization of distribution of electricity in Orissa took place with effect from 1.4.1999. In the financial year 1999-2000, there was 4.5% rise in the overall retail tariff. The year 2000-01 witnessed a rise in retail supply tariff to the extent of 10.23%. There has not been any increase in retail tariff after 2000-01.

Statement

Year-wise AT&C lones in Delhi and Orissa brought out by PFC

Delhi

(All figures are in %)

	2003-04	2004-05	2005-06
BSES Power Rajdhani Limited	45.73	41.97	39.06
BSES Yamuna Power Limited	55.54	51.70	48.58
North Delhi Power Limited	48.16	35.90	28.01
Orissa			
Central Electricity Supply Company	49.96	55.82	42.54
Northern Electricity Supply Company	45.06	39.51	36.76
Southern Electricity Supply Company	38.22	35.65	45.50
Western Electricity Supply Company	38.33	35.88	37.82

SOURCE: Report on the performance of State power sector utilities for the years 2003-04 to 2005-06 – A Power Finance Corporation compilation.